

**Second Meeting  
Historical and Cultural Advisory Council  
24 February 2006**

Welcome by Council Chair, Lt. Governor John Bohlinger

Council Chair Lt. Governor John Bohlinger called the meeting to order at 8:30 am. He noted that the council consisted of a bright group of people gathered to consider the future of Montana's state-owned historic structures. He then requested that those present introduce themselves for all attending.

Members present at the table included Chere Jiusto, Montana Preservation Alliance; Christine W. Brown, Montana Preservation Alliance; Dr. Carroll Van West, Director, Center for Historic Preservation at Middle Tennessee State University; Joe Triem, Architect, Architecture and Engineering Division; Senator Lynda Moss, Council Vice-Chair; Wendy Raney, Lewis and Clark Trail Heritage Foundation; Tom O'Connell, Director, Architecture and Engineering Division; Randy Hafer, High Plains Architects, Billings; Chris King, Rancher, Petroleum County; Marilyn Ross, Butte Public Archives; Dr. Mark Baumler, Acting Director, Montana Historical Society; Jeff Tiberi, Director, Montana Heritage Commission; Bob McCarthy, Silver Bow County Attorney; and Ken Soderberg, Visitor Services Bureau Chief, Fish, Wildlife, & Parks. Numerous agency staff and interested citizens also attended.

Introduction to policies for state-owned historic buildings

*Presented by Chere Jiusto, Director Montana Preservation Alliance*

Lt. Governor Bohlinger then introduced Chere Jiusto of the Montana Preservation Alliance (MPA). She asked the council to review the meeting minutes from the last meeting on November 14, 2005 and referred to a Task list on page 18 of the minutes. She stated that the goal for this meeting is to inform the council on current Montana policy by looking at existing agency guidelines and regulations and by looking at other state's historic preservation policies. She credited Christine W. Brown, MPA for her research into other state policies. She continued by adding that every state faces similar issues when managing state owned buildings because as agencies priorities shift, their buildings must also adapt. She asked the question, How can states be good stewards when the role of their buildings is ever changing?

Ms. Jiusto then gave a short PowerPoint presentation to orient the council to the research provided to them by MPA in advance of the meeting, as well as to introduce topics that would be discussed in detail during the course of the day. Copies of the research binders are available from MPA. (*See attached table of contents and PowerPoint handout*).

Ms. Jiusto opened with an overview of policies in place in Montana that affect historic buildings. She mentioned the Long Range Building Plan administered by the Architecture and Engineering Division, which Director, Tom O'Connell was present to speak about. She also briefly discussed the Antiquities Act, which Mark Baumler, Historical Society Acting Director was present to talk about. Lastly, she talked about Non-Trust properties, which Jan Ward of DNRC was present to address the council.

Ms. Jiusto then briefly discussed past policy initiatives undertaken by the state. She cited the 1990 *Reckoning with Time* document, which involved a preliminary survey of state owned buildings, and a report with recommendations for improving Montana's cultural policy. She then went on to discuss HB 16, the County Courthouse Preservation Bill. For the past few years, legislators have worked to create a County Courthouse grant program, but it has failed to be funded. However,

HB 616, the Main Street bill was passed in 2005 to fund hiring a Montana Main Street coordinator. The 2006-2007 year is the first in which Montana will have a Main Street coordinator, which will bring economic development dollars and planning expertise to several new Main Street communities.

The next several slides in the presentation highlighted model historic preservation policies from around the U.S. "Policies regarding the inventory, evaluation, and nomination of state-owned historic buildings to the National Register of Historic Places vary widely from state to state. Many states do not have a policy for the inventory or listing of state-owned historic buildings, while others carefully maintain a "master list" of historic buildings for agencies to reference when undertaking a building project.

"State agencies are typically responsible for identifying, documenting, and nominating all properties they own or control that appear to qualify for a state historic register. While many states place the primary responsibility for identifying or surveying state-owned historic properties and archeological sites within each agency, the state historic preservation office and/or preservation review board should have authority to oversee the identification process and make final decisions regarding eligibility or listing in a state register.

"Many states have adopted stewardship programs patterned after Section 110 of the National Historic Preservation Act (Section 110), 16 U.S.C. § 470h-2(a). This provision requires federal agencies to document and preserve historic properties that they own or control. Federal agencies must inventory and nominate eligible properties to the National Register as well as ensure that such properties are not 'inadvertently transferred, sold, demolished, substantially altered, or allowed to deteriorate significantly.'"

### ***Summary of Slides***

#### ***California***

- Directs each state agency to formulate policies to preserve and maintain, when prudent and feasible, all state-owned historical resources under its jurisdiction which are listed in or eligible for inclusion in the National Register of Historic Places or registered or eligible as a State Historical Landmark.
- Requires each agency to submit an inventory of such historical properties to the State Historic Preservation Officer and specifies that all state-owned structures in freeway rights-of-way be inventoried before approval of any undertaking which would affect their original or significant features.
- Requires the state historic preservation officer to maintain a master list of all inventoried structures submitted and determined significant under this section and all state-owned historical resources listed in the National Register or registered as State Historical Landmarks.
- Requires each agency to submit an annual inventory update to the master list and to submit an annual statement of its preservation activities to the state historic preservation officer.

#### ***Georgia***

- Requires the head of each state agency to assume responsibility for the preservation of historic properties that are owned by that agency.
- Requires each state agency, by July 1, 2000, to establish and implement, in consultation with the Division of Historic Preservation of the Department of Natural Resources, a preservation program for the identification, evaluation and nomination of historic properties to the Georgia Register of Historic Places to further the protection of such resources.

- Requires each state agency preservation program to ensure that: (1) historic properties under the jurisdiction of the agency are identified, evaluated and nominated to the Georgia Register; (2) historic properties under the jurisdiction of the agency, as they are listed in or may be eligible for the Georgia Register, are managed and maintained in a way that considers the preservation of their historic, archeological, architectural and cultural values in compliance with historic preservation provisions of this part and gives special consideration to the preservation of such values in the case of properties designated as having historic significance to this state.
- Directs the head of each state agency to designate a qualified official to be known as the agency's "preservation officer" who shall be responsible for coordinating that agency's activities under this section.
- Requires the director of the Historic Preservation Division to establish an annual awards program and to provide citations for special achievement to officers and employees of state agencies in recognition of their outstanding contributions to the preservation of historic resources, as well as to issue awards from the governor to any citizen of the state recommended for such an award by the director.

#### ***Rhode Island***

- Directs the Historical Preservation and Heritage Commission, with the assistance of the departments and agencies of the state government, to inventory and catalog all buildings, sites, objects and artifacts of historical, architectural or archeological interest that are in the custody or jurisdiction of the state and to furnish copies of the catalog to each department and agency concerned.
- Directs the commission to advise state departments and agencies of the appropriateness, suitability, proper procedures and other safeguards which should be observed in preserving, displaying or using items contained in the catalog.
- Requires the commission, when notified of any proposal to alter physically, change the location or method of storage, or change the use or public accessibility to any item in the catalog, to advise the responsible agency in writing within sixty days concerning the proposed action.
- Requires that such advisories rendered by the commission shall be followed unless there are compelling reasons not to do so, in which cases a statement of the reasons, together with a copy of the commission's advisory, shall be submitted to the governor for final determination.
- Directs the commission to survey the use or occupancy of all state-owned buildings or sites that are of historic, architectural or archeological interest and to make recommendations to the director of Administration concerning the appropriate use and availability of public access of each building and site.

#### ***Kentucky***

- Directs the Division of Historic Properties to oversee the management and preservation of state-owned historic properties, including the Executive Mansion, the Old Governor's Mansion, the Vest Lindsey House, Berry Hill, the State Capitol and the Henry Clay Law Office.
- Directs the division to be responsible for maintaining state-owned furniture, china, silver and art works and the care, display, inventory, conservation, restoration and storage of any state-owned item of historical significance. Authorizes the Department of Parks and the Kentucky Horse Park to advise and consult the division in the operation, maintenance, restoration, conservation and inventory of the state's shrines and museums. Directs that the director of the division shall serve as state curator pursuant to § 11.026.

Note: The Division of Historic Properties is housed within the Kentucky Department for Facilities and Support Services, which is a department of the Kentucky Finance and Administration Cabinet.

#### *New York*

- Directs the commissioner of General Services, with the advice and assistance of the commissioner of Parks, Recreation and Historic Preservation, to prepare, maintain and publish a list of all historic and cultural properties under state jurisdiction or control, including those listed in the national or state registers of historic places or determined to be eligible for listing in the state register.

#### *Virginia*

- Requires the Department of Historic Resources to develop on a biennial basis a report on stewardship of state-owned properties. The report shall include, but not be limited to, a priority list of the Commonwealth's most significant state-owned properties that are eligible for but not designated on the Virginia Landmarks Register pursuant to §10.1-2206.
- The report shall also provide a priority list of significant state-owned properties, designated on or eligible for the Virginia Landmarks Register, that are threatened with loss of historic integrity or functionality. In developing the report, the Department shall, in addition to significance and threat, take into account other public interest considerations associated with Landmark designation and the provision of proper care and maintenance of property. These considerations shall include: potential financial consequences to the Commonwealth associated with failure to care for and maintain property; significant public educational potential; significant tourism opportunities; and community values and input. The report shall be forwarded to all affected state agencies, including institutions of higher learning, as well as to the Governor, the Secretary of Administration, the Secretary of Natural Resources, the Secretary of Finance and the General Assembly. All agencies of the Commonwealth shall assist and support the development of the report by providing information and access to property as may be requested.
- Each agency that owns property addressed in the report required by subsection A shall initiate consultation with the Department within 60 days of receipt of the report and make good faith efforts to reach a consensus decision on designation of an unlisted property and on the feasibility, advisability, and general manner of addressing property needs in the case of a threatened historic property.
- The Department shall prepare a biennial status report summarizing actions, decisions taken, and the condition of properties previously identified as priorities. The status report, which may be combined with the report required pursuant to subsection A, shall be forwarded to all affected state agencies, including institutions of higher learning, as well as to the Governor, the Secretary of Administration, the Secretary of Natural Resources, the Secretary of Finance and the General Assembly.
- The reports required in shall be completed and distributed as required no later than May 1 of each odd-numbered year, so that information contained therein is available to the agencies, the Secretary of Finance, the Secretary of Administration, and the Governor, as well as the General Assembly, during budget preparation

Ms. Justo concluded the presentation by pointing out that the research identified a key difference between Montana policy regarding historic buildings and some other states policies. While Montana law is modeled on Section 106 of the National Historic Preservation Act (36CFR800), other state policies are modeled on Section 110, which is a more pro-active and effective approach to preserving buildings.

Council Chair John Bohlinger then asked for questions from the Council for Chere. Having no questions regarding the Ms. Jiusto's presentation, Lt. Governor Bohlinger introduced late arrivals, council member Randy Hafer of High Plains Architects in Billings and Barb Pahl, Mountain-Plains Director of the National Trust for Historic Preservation in Denver.

Having no further introductions, Mr. Bohlinger introduced the next agenda item regarding current historic preservation policy in Montana.

#### Montana's Long Range Building Plan

*Presented by Tom O'Connell, Administrator, Architecture & Engineering Division*

Mr. O'Connell gave a short PowerPoint presentation explaining the mission of the division and the laws controlling it. The mission of the Architecture & Engineering Division (A & E) is to serve and assist all agencies and citizens of the State of Montana in the design and construction of quality facilities, repair and alteration of existing facilities, and planning for their governmental and university system needs.

#### *The Process*

A & E administers the state's Long Range Building Program (LRBP). The LRBP was established in 1965 to provide for the construction and repair of state buildings. for const and repair of state facilities. Agencies with most muscle got their buildings. Title 17 of Montana Code Annotated (MCA) requires submittal of request from each agency in July of even-numbered years. A & E evaluates requests and develops the LRBP which is part of the executive budget.

The Governor then prioritizes his recommendations & includes a method of financing each project. House Bill 5 is the Cash Program which emphasizes improvements 7 repairs to existing facilities. Almost all projects address health/life safety problems, code compliance or facility protection. House Bill 14, the Bond Program, funds new construction, major additions, and renovations.

#### *The Statewide Perspective*

How big is the need? Scope of work? The state has 4,154 buildings on its inventory. Inventory comprises over 20 million square feet. If you break this down into houses with an average of 1,500 sq. ft., it equals about 13,672 houses to fix up -- a small city. The total value of these properties is over \$2.5 billion (\$1.76 without contents)– this is a lot of facilities.

The LRBP delineates how to take care of building needs. Once bills are approved, A & E can administer the funds. There are between 200 and 225 projects at any time, in different stages of development. Today, the program involves a total of \$.6 billion right now, which is a substantial building program. Projects cover a wide variety, from roofing and energy retrofits to window replacement and plumbing. Imagine building a home. You hire architect, contractor, you select firms, do planning, bidding, and award the project. Then you pay bills and approve projects. A & E also provides planning services for other agencies.

#### *LRBP and the Antiquities Act*

Mr. OConnell says he doesn't know everything about all state-owned buildings. A & E does not manage any of the 4,154 facilities. A & E provides service to facility owners. HB 5 and 14 are the bible to A & E.

**IMPORTANT:** Agencies can do projects on their own if they are under \$150,000. Agencies can even do demolition if the budget is under that amount.

All projects don't have historic/cultural issues, but by the time most projects get to A & E, the agency should already have done Antiquities/SHPO consultation. Some examples of projects that required consultation with SHPO were the Gym at Montana Tech, which was converted to a Science Center; the Capitol renovation; new construction on the Warm Springs Campus; and the Pine Hills Demolition.

In conclusion, Mr. O'Connell says he hopes that the council doesn't think that A & E is the gatekeeper. A & E is a piece of the process providing a service to agencies. If the process works right we have historic properties that are preserved correctly.

Chair Bohlinger asked Mr. O'Connell to share the historical perspective on funds that were available under HB 5, and what moneys are made available from HB 14 to repair historic buildings.

Mr. O'Connell said that to give a general idea, 66% of all projects rely on funding from HB 5. In 2003, there was \$3 million in the fund, then in 2005 there was \$5 million in funding. Also that year there was a \$30 million general one-time appropriation, so there was \$35 million for 2005. The fund increases by \$2 to \$3 million every 2 years. As building values increase, funds are decreasing. There is not always a bond program, although Montana has had one for the last 10 years, except for one year. The bond is usually between \$40-\$60 million, mostly for new college buildings. The historic buildings are typically funded by the cash program, because the cash program is designed to maintain what we have.

Chair Bohlinger asked how might we get a new source of funds for historic buildings from a bond program?

Mr. O'Connell replied that he was not sure if a bond program could be used for historic building maintenance. He said it may be possible, but the general approach has been to issue bonds for new facilities that will have sustainable life. Financial advisors have steered away from bonding for deferred maintenance in the past.

Council member Chris King asked why is revenue decreasing for the cash program?

Mr. O'Connell replied that we are getting a smaller annual share of the percentage of cigarette tax that funds the program. They never try to decrease money flowing in, but the cigarette tax revenue is declining as fewer people smoke.

With no further questions from the council or other attendees Chair Bohlinger called Mark Baumler to the podium.

#### Montana Antiquities Act

*Presented by Mark Baumler, Acting Director, Montana Historical Society*

Mr. Baumler opened by saying that Tom O'Connell is always better prepared, and that he had no handouts for the council.

He introduced the Montana Antiquities Act (MCA 22-3-4-21). It was written in 1979 though there may have been earlier language. It has also been amended a few times in 1983, 1987, & 1995 (more extensive additions). The act was created so that Montana could participate in the National Historic Preservation program, for which the NPS provides matching funds to run the State Historic Preservation Office (SHPO). Each state is required to have a state antiquities act and administrative rules in order to participate in the program. There are two agencies that

have administrative rules – the dept. of state lands/DNRC and Fish, Wildlife, & Parks (FWP). More recently, SHPO developed rules for other agencies to use.

The major parts of the rules establish duties of the state historic preservation review board and SHPO. The rules establish the need for state agencies to consult with SHPO, and tell how properties can be listed in the National Register of Historic Places (NRHP). They also require an antiquities permit approved by SHPO for excavating and/or restoring buildings. This is the only instance where a permit is required.

Some characteristics of the Antiquities Act are often confused or missed. Most importantly, state agencies, not SHPO, are the initiators and final decision makers in determining the final state of historic properties. There are two exceptions: the Review Board and SHPO can make the final decision to list a building in NRHP, and also only SHPO can approve an antiquities permit.

Mr. Baumler continued by stating that the Antiquities Act only applies to state-owned properties, and does not govern actions or undertaking on non-state owned properties. Another confusing topic that often comes up is that NRHP-listed properties do not receive greater protection than props determined eligible. NRHP-listing does not add or subtract from an agencies responsibilities for stewardship.

He also looked at the strengths and weaknesses of the Antiquities Act. One of the strengths of the act is that it treats all significant properties the same, whether they are listed or eligible. Also, the Antiquities Act directs states to avoid or minimize impact to heritage properties early in project planning. It encourages agencies to consider the impacts to historic properties early in the process, before the project is too far along. Another strength is that it is designed to establish a dialogue between SHPO and agencies that fosters preservation.

Some major weaknesses of the Antiquities Act is that it only covers those actions that involve state-owned properties. It doesn't cover many licenses or approvals that affect heritage properties off state lands. It also provides no incentive to state agencies to preserve heritage properties. The law is largely procedural and is not substantive in terms of preservation issues, except for the permit process. Also, there is no dispute resolution clause in the act. If an agency and SHPO can't agree on a course of action, the law defers back to the agency and doesn't provide for 3<sup>rd</sup> party involvement. Finally, the law tends to deal with state properties individually when impacted by a specific project. There is no provision for general management, i.e. it doesn't have a Section 110 (36CFR800) aspect that requires an agency to be responsible to manage heritage properties in a holistic way. Mr. Baumler concluded by stating that he believes that most state agencies seek to preserve their historic properties, and that most historic preservation will occur with those who want to preserve. The key to dealing with historic preservation many not be changing the language in the Antiquities Act, but instead acknowledging the issues that are barriers to preservation, such as cost, codes, safety and liability issues, and the general desire of agencies to have new facilities.

Chair Bohlinger thanked Mr. Baumler for his presentation and opened the discussion for questions.

Council member Bob McCarthy observed that there seems to be frustration with the ability of agencies to preserve buildings and questioned that when compared with more recent interest in preserving heritage how do we take care of what we have? It will be axiomatic that state employees want modern buildings. When you combine that with preserving existing facilities, how do you reconcile the needs? He gave the example of the Warm Springs hospital campus and the fact that the old facilities couldn't meet Medicare requirements. His final question came

to be, what do we do to try to develop a plan so that there will be recognition of the need in the legislature so that we're not on the weak end of the teeter totter?

Mr. Baumler replied that even the Montana Historical Society is looking at new space, but they are also looking at incorporating older buildings. He said we have to think early about what to do about buildings that can't suit the needs of modern office users. The current policy lacks recognition of the current status of historic buildings and we have to recognize that every old building can't be saved. He finished by saying that the State must prioritize consideration of what to do with old buildings.

With no further questions for Mr. Baumler, Chair Bohlinger introduced Jan Ward from DNRC's Non-Trust properties division.

Non-Trust Property Management  
*Presented by Jan Ward, DNRC*

She began by referencing a handout given to council members and stated that she would not repeat the information in the handout that day. *See attached handout for details.*

Ms. Ward explained that the Non-Trust Properties Division works hand in hand with DPHHS, military affairs, etc. They deal with properties that are state owned, but not held in trust, such as schools, corrections facilities, and hospital campuses. The properties are sovereign lands, except for a few with mineral rights. Basically, the state owns all rights to the properties. They are administered by DNRC as far as resources, oil, agriculture, and grazing are concerned. Those monies raised by these properties go into the general fund. So, when an agency determines they have surplus property they have to decide how to dispose of it.

*See attached handout for detailed information on disposing of a non-trust property.*

Ms. Ward continued by giving an example of a small property owned by DPHHS. The property went to auction, and sold for \$9000.

She also gave the example of the Dillon Armory. The Dept. of Military Affairs needed additional land for their armory and auto barn. The town of Dillon had the land, so the county and agency agreed to transfer of land.

Also, in Whitefish the Army wanted the old armory building to be used as exhibit space and for community meetings, so Ms. Ward worked with the Army to transfer the property.

She stated that the Non-trust property division has worked to preserve buildings. Ms. Ward works with agencies so that properties can be taken to the land board to explain why it needs to be disposed of. After the board approves a legislative committee looks at the decision to dispose of a property. The committee doesn't make the final decision, but can make recommendations. The process allows DNRC to get properties into the hands of good owners.

Ms. Ward concluded by saying that the Administration Building at Boulder is a major building that DNRC would like to dispose of. However, there are problems with transferring the building to a new owner because the agency can't deal with individuals, only with other public entities.

Chair Bohlinger thanked Ms. Ward for her concise presentation and asked for questions from the council members. With no questions from the council, Chair Bohlinger introduced Chere Justo, MPA.



## Overview of State Inventory Efforts

*Presented by Chere Jiusto, Director, MPA*

Ms. Jiusto gave a PowerPoint presentation illustrating priorities that came out of Montana's last effort, in 1980, to identify state-owned historic properties. The inventory identified historic buildings built before 1961. Of the 1,700 buildings identified, about 400 were marked for further investigation, and 24 were identified as Priority At Risk buildings. The survey did not include Bannack or Virginia and Nevada cities, because they were not state-owned at the time. There is a current working inventory of state-owned historic buildings, which will be updated by incorporating data from other agency databases.

The next several slides featured buildings that were identified in 1980 as Priority At Risk buildings.

- The Montana State Capitol was one of the buildings identified as at-risk in 1980, and is a good example of a building that has been completely restored.
- Main Hall at the U of M Western, which was recently repaired.
- The Lee Homestead at the Tongue River Dam is an example of an at-risk property that was eventually demolished.

Abandoned or Obsolete Buildings include:

- Administration Building at the Montana Developmental Center in Boulder. The building was recently saved from demolition and has now been moth-balled for future re-use.
- Hartman Ranch buildings are vacant and unused by the Ag Station.
- Red Bluff Stage Stop at Norris. Another Ag Station research building that is not useful to MSU. MPA, MSU, and locals recently worked together to stabilize the building with a new roof.
- Southern Ag Station at Huntley buildings. Station has no use for the buildings other than storage.
- Warm Springs General Hospital.
- Pine Hills School Chapel Auditorium.
- Montana State Soldiers Home, Columbia Falls.

Transferred Ownership/Adaptively Reused Buildings

- Mountain View School for Girls. Now used as a police training facility.
- Galen State Hospital buildings.
- Lewis & Clark County Fairgrounds. Transferred from state ownership many years ago, but now used by the county. Rich history of horse racing is now in jeopardy as county moves to reuse as a business exposition center.
- Fitzpatrick Ranch near Helmsville. Historic ranch owned by DNR was recently transferred to Powell County Museum and Arts Foundation for use as a pioneer history museum.
- Stillwater State Forest Ranger Station.

Ms. Jiusto ended the slide presentation with a collage of historic building pictures at State University Campuses. The Montana University system has many important historic buildings, which also must be considered in any inventory of state-owned buildings. She did not expand the discussion further as Bob Lashaway, Facilities Director at MSU covers the topic in detail later.

Chair Bohlinger thanked Ms. Jiusto for the overview of Montana's inventory practices to date and asked for questions from the council. There were no questions from the council.

At 10:20 am Chair Bohlinger called for short break.

At 10:35 am Chair Bohlinger called the meeting back to order and introduced Jeff Tiberi of the Montana Heritage Commission (MHC).

### Managing Time

*Presented by Jeff Tiberi, Director, MHC*

Mr. Tiberi gave a PowerPoint presentation. The first slide illustrates how MHC manages time. MHC manages the past by protecting time. They manage the present by providing for visitors time with them, and they manage the future by stopping or slowing down the ravages of time.

The programs of MHC include:

Archaeology -- one staff archaeologist. In two years she found 35,000 artifacts, including a lovely majolica glazed plate.

Collections -- two staff working on collections. MHC has over 1 million items.

Concessionaire program—short term and long term contracts with individuals who occupy buildings, such as hotels, restaurants, shops, gold panning activities, carriage rides, and theater groups.

Education program—three staff working on living history, signs, exhibits, history camp, etc.

Maintenance – 20 years of deferred maintenance, roof repairs, sign repair, log repair, sewer work. Track maintenance on historic train is also very important. MHC can't make mistakes on tracks or it becomes a public safety issue. Other issues for maintenance are fire protection and general caretaking, road repairs, and window repairs for 12,000 windows.

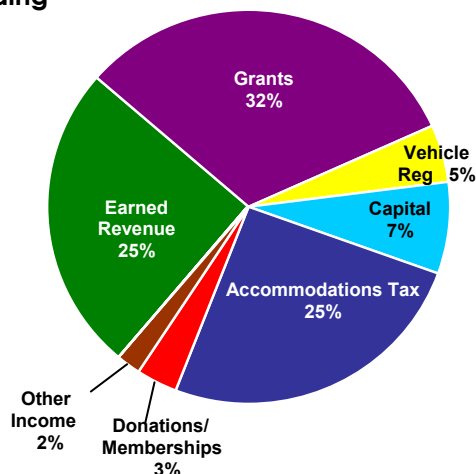
Preservation program -- Virginia City Institute hosts classes/workshops for chinking repair, masonry repair, etc.

Visitor Services program – MHC manages displays and living history interpretive staff

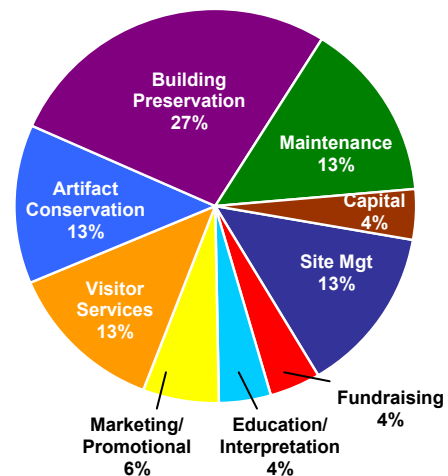
Volunteer programs – MHC hosts and manages Americorps, Railroad, Elderhostel, MT Youth Challenge, Living History volunteers. They also maintain volunteer housing.

Mr. Tiberi's next slide illustrated how MHC is funded and how they spend their money. Funding and expenditures for fiscal year 2003-04 are illustrated below.

### **Funding**



### **Expenditures**



Mr. Tiberi continued the slide presentation with a selection of slides showing the wide array of buildings that MHC manages including a pioneer

cabin, the Bale of Hay Saloon, and Stonewall Hall. Stonewall Hall is an example of a building not owned by MHC, but MHC wants to have title to it. The Bovey Trust holds title to it and it is in litigation. Soon the case will go to the Montana Supreme Court. Though the building is worth nothing on the market due to its poor condition, MHC would like to control the building for interpretive use. A success story is Contents Corner, across from Stonewall Hall. The building has been restored for MHC offices. Other examples included the Kiskadin Barn where the Vigilantes first met, the Kerosene can clad building, the Dance and Stuart Store, which was reconstructed based on photos, and the various original outhouses scattered throughout the town.

Mr. Tiberi also talked briefly about the laws that govern their actions. MHC is guided by Federal Preservation laws including NEPA, MEPA, the Antiquities Act, and Programmatic Agreements with the SHPO.

Virginia City has been featured in many travel magazines in 2005 including Family Motor Coaching, Destinations, Northwest Travel, Travellady Magazine, and Montana Magazine. Also, several years ago there was a large article in the Sunday New York Times.

Mr. Tiberi also pointed out that Virginia City has a connection with Harvard University. Harvard U owned the dredge that operated in Nevada city, so MHC is trying to establish a professorship at Virginia and Nevada cities.

Also, Michael Blake, the author of Dances with Wolves has visited Virginia City. Blake has recently written Slade about Jack Slade. Slade was a notorious man, hanged by the Vigilantes in Virginia City. Currently, a movie studio is working on the movie and Mr. Tiberi is trying to entice the film company to film in Montana.

Mr. Tiberi concluded by noting that the 10 year anniversary of the Virginia and Nevada cities project is coming soon. He remarked that he hoped for continued support from the state and noted that the legislators are the folks that helped save this part of Montana history. He thanked the council for allowing him to present and stated, "If the state knew what they were buying they wouldn't have because there's so much work to be done. It's not over when you buy it." Mr. Tiberi then passed around the Virginia City article featured in the Sunday New York Times.

Chair Bohlinger thanked Mr. Tiberi and requested questions from the council.

Council member Marilyn Ross commended Mr. Tiberi by saying MHC has done a magnificent job and encouraged all attending to visit there if they had not already. She noted that it was a fine example of how a state agency is working with the locals.

There were no other questions or comments for Mr. Tiberi. Chair Bohlinger then introduced Ken Soderberg of Fish, Wildlife, & Parks.

#### Overview of FWP

*Presented by Ken Soderberg, Visitor Services Bureau Chief, Fish, Wildlife, & Parks (FWP)*

Mr. Soderberg discussed the mission and vision of Montana Fish, Wildlife, & Parks with a PowerPoint presentation. He began with the agency mission: Montana Fish, Wildlife and Parks through its employees and citizen commission, provides for the stewardship of the fish, wildlife and recreational resources of Montana while contributing to the quality of life for present and future generations.

FWP manages acreage including 252,000 wildlife, 17,093 fisheries, 127 administrative, and 29,129 park acres.

There are 521 buildings on the state inventory that are owned by FWP. 100 of these buildings are historic, most of which are at Bannack State Park.

#### *The Parks Division*

The Parks Division's objective is to provide diverse recreational opportunities while preserving important historical and cultural resources within Montana.

Eight of the parks are on the National Register of Historic Places including the Anaconda Stack, Clark's Lookout, Tower Rock, Elkhorn, Beaverhead Rock, Madison Buffalo Jump, and Ulm Pishkun.

FWP also manages six National Historic Landmarks (NHLs) – Bannack, Giant Springs, Missouri Headwaters, Travelers Rest, Pictograph Cave, and Rosebud Battlefield.

In the next slide of Pictograph Cave, Mr. Soderberg pointed out that significant sites are also under their management, not just buildings. Examples of site are Pictograph Cave where FWP has installed a moisture monitoring system at the cave to try to address preservation of the cave. Other examples include:

Anaconda Stack – the site has no public access and must be viewed from a distance.

Giant Springs – wall restoration

Traveler's Rest – preserving only known camp site of Corps. Two buildings considered in Cultural Resources mgmt plan.

The next several slides feature historic sites and buildings that FWP maintains and/or would like to improve.

Mr. Soderberg highlighted:

- the Bannack Mill State Park where FWP would like to stabilize the Hendricks Mine at the site so they can give tours. Estimated work for accessibility will cost \$100,000 to \$200,000.
- Lewis and Clark Caverns – work is needed on the visitor center, stonework, bathrooms, MDOT constructed public building.
- Steadman Foundry – 1890s stone construction. Saved from wrecking ball by the Kellner Foundation for their wild animal rehab center. One building burned recently, the Foundry Building, and FWP is currently in Phase 1 of stabilizing the machine shop, addressing roofing needs, seismic structure support, and replacing windows and doors. Another \$250,000 is needed to make the building acceptable for office use. The Pattern House is at the Foundry is an important part of the Helena community. FWP is interested in working with the community to stabilize, but will need \$350,000 for stabilization and another \$1 million to make it acceptable for office use.
- Chief Plenty Coups House – addressed some of the building needs with the National Trust for Historic Preservation and local friends group. The building requires roof repair, and issues with the flooring and fire suppression system.
- Wildhorse Island Barn – worked with preservation professionals on roofing project.
- Parker Homestead State Park
- Gallatin Hotel at Missouri Headwaters – old hotel is mostly in ruins, but FWP has made efforts to stabilize as a ruin.
- Granite State Park – Superintendents house repaired and open for tourists
- Barracks at Fort Owen State park -- repaired

Mr. Soderberg then gave the podium to Paul Valle, FWP to discuss policies/laws affecting FWP properties.

Mr. Valle then explained the Montana Environmental Protection Act (MEPA) and the Antiquities Act. FWP has its own cultural resource policy, very similar to the Antiquities Act. The rules are outlined in MCA 22-3-424-435, which is basically a reiteration of the Antiquities Act.

Mr. Valle also gave an overview of the Fisheries and Wildlife Divisions.

#### *Fisheries Division*

The Fisheries Division is responsible for the management and perpetuation of Montana's fish and other aquatic resources. Montanans and visiting anglers want optimum fish populations in Montana waters and diverse, quality angling opportunities.

Examples of hatcheries with historic buildings include the Somers Fish Hatchery on Flathead Lake, which has a wonderful arts and crafts bungalow residence and barn.

Also, the Washoe Fish Hatchery, which used to have a quaint Victorian cottage residence and ice house. The residence has since been demolished and replaced, though the ice house remains.

#### *Wildlife Division*

The Wildlife Division is responsible for protecting, enhancing and regulating the wise use of the state's wildlife resources for public benefit now and in the future.

Mr. Valle gave the example of the Beckman Wildlife Management Area (WMA) -- the site is in poor shape. He commented that if FWP can use the buildings for their intended use, then FWP does that. But often structures aren't needed and buildings deteriorate. Taxpayers rarely want to pay for rehab of buildings that will remain unused. While the Beckman house is used, the barn is only used for storage, and the other outbuildings are vacant.

Another example given was the Wall Creek WMA. The property has a great example of a historic barn. This is a good situation because the barn is actively being used for storage.

There is also the Gallatin WMA. FWP worked with SHPO to put new foundations on the houses, which are now used for staff housing.

At the Rob Ledford WMA there are several deteriorated buildings on the property. "How do you justify repairing buildings that have no use?" Mr. Valle asks. "We can't use revenue dollars for that. While some structures on the site are used, others just can't be used and the Division is forced to make decisions about which buildings to use, repair, and reuse. There are just some buildings that don't have a use."

In conclusion, Mr. Valle asked another similar question, "How do you justify to the public the use of license dollars for preservation of unusable buildings." He then pointed out that Mr. Soderberg mentioned that there are acquisitions that have taken place, so the inventory of historic buildings is currently outdated. "We don't know the historic significance of these buildings unless a project comes up and consultation with SHPO is triggered." He also implied that research should be conducted as part of the inventory so that FWP would have some idea of the significance of its properties.

Chair Bohlinger thanked Mr. Soderberg and Mr. Valle for their presentation and asked for questions from the council. With no questions from the council Chair Bohlinger then introduced Montana State University Facilities Director Bob Lashaway.

#### Bob Lashaway, MSU Facilities

Mission of the university system is education and outreach. All university facilities are there for education. The university is not in the businesses of building monuments. Buildings are secondary. Mr. Lashaway gave the example of the University of Phoenix, which has no facilities because it grants all of its degrees through online (web-based) programs. "It isn't that we ignore facilities, but they are not the primary mission of the University."

Mr. Lashaway then passed out a handout to the council. See handout. He explained that local historical societies vary with location, interest, and positions available, but that the university tries to work with local groups if they are active. If the local group is not active, the university doesn't keep up with it because it is not in their general mission.

Mr. Lashaway also explained that there was talk of creating an historic district on campus in Bozeman. The effort to create the historic district on campus looked at all facilities and decided that they have substantial facilities, but that the campus didn't qualify.

Some challenges to maintaining historic buildings are program and functional obsolescence over time. Tom O'Connell cited the adaptive reuse of the gym at Montana Tech as successful, but Mr. Lashaway commented that he was not sure if SHPO would agree that it was successful. "These are the types of things we deal with," he said. The Women's Dorm at MSU was not useful and is being used as dorm for ROTC men now.

He gave the example of the Romney Gym which is being reused. And the Ryan Lab industrial engineering building is another example. It had lots of deferred maintenance, so MSU took down the building, and built a modern facility in its footprint.

He also pointed out other examples, like the MSU agricultural experiment stations. "The stations have buildings that never suited the mission of the university from day one. For example the Red Bluff ag station never needed a stage company. For a long time the building was used to store grain, but it became rodent infested. The university spent a lot of money to clean up the poop. The recent roof repair was only to stabilize the building and prevent further deterioration. But this building doesn't meet the mission of the station, and it never did."

He also gave the example of the Southern Agricultural Research Center at Huntley. The buildings were given to MSU. The residences were converted into laboratories, the bedrooms used for offices, and the living rooms for labs. There are no animal functions there anymore, so the barn has no current function. The university is left with buildings used for some period that they have to retire as funding for new labs come online to meet their mission.

Another example Mr. Lashaway commented on is the agricultural station at Fort Assiniboine. He said the buildings there don't make a good ag station. MSU can't afford to keep up the facilities. The station has severely modernized historic facilities. The idea today is to build new facilities to meet modern needs.

Mr. Lashaway also cited other challenges. There is declining state support as a percentage of funding. Twenty-five (25) years ago, the state supported 72% of the university budget, now it's 38%. He said the legislature is always attentive to tuition levels increasing, but we end up putting the burden on students to meet budget needs.

"Montana Hall is an MSU landmark facility, but it's in a state of disrepair. CTA did an evaluation of the building for historic renovation, which was estimated at \$22 million. That works out to be about \$440 per sq. ft for renovation., as compared to about \$300 per sq. ft. to build a new building." He commented that historic rehabilitation is labor intensive, and though it gives a nice advantage because money stays in community, it is still very costly for a project.

Mr. Lashaway went on to say that there is an occupancy puzzle relative to Montana Hall. It is now populated by top administration. The building is the least desirable space on campus. They'll take it, but are resistant to upgrades. They are cautious about spending money in the building.

The legislature needs to see that upgrades are an investment in Montana government over time."

He said that a remedy for the situation is tough. "Montana Hall is administrative space, and if there was a worse space for Admin staff they would move. Others have suggested that MSU prioritize building preservation, and develop a plan for how to approach the most important historic buildings." He also cited Hamilton Hall on the MSU campus. "It's a mission style building on campus, but MSU would need to look at it long and hard to determine whether to take it down. It was slated for demolition a while back, but monies to demolish it never came up."

Mr. Lashaway concluded by saying that MSU is currently in the process of long range planning for the development of buildings. Out of that process, the university would like to include a plan for treatment of historic university buildings.

Chair Bohlinger thanked Mr. Lashaway and remarked that \$440 per sq ft to repair Montana Hall is shocking. He also commented that the entire state is very proud of the State Capitol building rehabilitation. "There are treasures like this all over the state that we need to re-examine and find ways to preserve."

With no questions for Mr. Lashaway from the council, Chair Bohlinger introduced Ed Amberg of the Warm Springs state hospital complex.

#### Ed Amberg, Director, Warm Springs Hospital

Mr. Amberg opened his discussion by presenting a collection of postcards of Warm Springs buildings to the council. The postcards were circulated among the council members.

"In 1877 the Warm Springs hospital was established. This location is especially important to native populations in that the mound was the home of the white tail deer or the Deer Lodge. This is a very significant place on the Warm Springs campus. It pre-dates all of the buildings. A gazebo was built on the mound in the early 1900s. This is a wonderful place to interpret native history on site and involve native peoples."

Mr. Amberg said there are several cemeteries on the campus, with 3,000 burial plots, all in disrepair. The hospital does not have funds to maintain these graves. He also pointed out that there are many old buildings on campus, some with major significance. The Fire Hall is one historic building, that includes antique fire engines. Some of the engines are in use, though many are not in use. Chair Bohlinger visited and Mr. Amberg took him to see the pharmacy. Bohlinger was struck by how the pharmacy is not serving modern pharmacy needs. The pharmacy used to be the old administration building.

He also gave the example of the Female Receiving Building. The beautiful building needs restoration, and could be put back into use without much trouble. This type of space is needed soon. There is also the old barn, which also could be rehabbed and put into use. He concluded by saying that "It is in the state's interest to repair these buildings and provide for human services."

Council member Bob McCarthy then mentioned how the use of one building at Warm Springs was used for a jail, which was disastrous because the inmates ruined the building.

Mr. Amberg replied that the building was repaired and put into a new use.

Bob McCarthy then noted that Warm Springs was a wonderful organization to work with.

12:00pm

With no questions for Mr. Amberg, Chair Bohlinger called for the meeting to recess for lunch and to reconvene in the same location at 12:45.

12:45 pm

The meeting resumes and Chair Bohlinger turns over the meeting to Senator Moss for a short time while he attends another meeting.

Ms. Moss remarked that this morning was incredibly productive. She thanked all who spoke from the agencies on everything from landmark buildings and barns, to homesteads and sheep sheds.

She then introduced Mr. Carroll Van West and commented that he was a champion of grassroots initiatives that promote the preservation of our historic places.

Dr. Carroll Van West, Middle Tennessee State University, Center for Historic Preservation

Mr. Van West opened by stressing that the work of this Governor's Council should be an all inclusive process, and that your comments, ideas, and suggestions are welcomed. He said that we need everyone's thoughts so that they can be presented to the Governor and the 2007 legislature. The best efforts combine the help of all.

Mr. Van West began his PowerPoint presentation by giving his background in Montana. He lived in Montana from 1981-85. His wife is from Billings, and she was the first curator of the Original Governor's Mansion. Mr. Van West put together the first set of capitol tours after the 1981 meetings. The pivotal moment in his career was when he conducted a statewide resources survey for the MT State Historic Preservation Office. He came to love the Montana landscapes and people, and the stories to be told. He saw a powerful national story to share. Mr. Van West commented that many people did not realize this and appreciate what was here. In his position at the SHPO he drove all over the state for 4 years.

He continued by setting out the themes in his presentation, which included:

- Your State Heritage Infrastructure
- Leveraging that with partnerships
- Creating Tools for Engagement
- Heritage Areas as best practices

Beginning with the theme of State Heritage Infrastructure Mr. Van West said that most state's heritage programs are grounded in their historical society, and include not just the SHPO, but also many other programs and agencies.

He pointed out that the real strength in Montana is that we have an over arching heritage institution, the Montana Historical Society (MHS). "In Tennessee, heritage programs are greatly dispersed. Tennessee has their archives, the SHPO, the parks, the programs are all over the place." Mr. Van West commented that there is a lot to be said for efficiency and collaboration at MHS, and noted that the Montana Heritage Commission is a great organization. "Jeff Tiberi made a powerful case for their structures in that he said acquiring the buildings is only the first step, maintaining them is another huge aspect."

He went on to list the State Parks Departments and the State Department of Tourism as members of the heritage infrastructure in Montana.



Next on the list was the The Main St. program. He said, "The Main Street program is an excellent outreach program, because it brings best practices and overall expertise to communities who want assistance and coordination." He also noted that the coal tax has funded many things in Montana.

The last infrastructure item Mr. Van West discussed was the State Historical Fund. He said the best model for Montana is the Colorado Historical Fund program. "The gaming commission money is set aside for their historical fund. They have used it for many public projects. The historical fund is one of the missing components in Montana." He emphasized that so many Montanans have awareness and concern of their heritage resources, but money is something missing.

His next slide theme addressed leveraging with non-profits and higher education. The slide featured a list of organizations including:

- Montana Preservation Alliance
- Humanities Agencies
- Arts Agencies
- Roundtables and Networks
- Hands-on preservation programs
- Special Research/Public Service Centers

Mr. Van West stated that we need to encourage the heritage community to get involved with roundtables with chambers of commerce. "Chambers realize what an economic development tool heritage themes are. We have to build those partnerships. Jeff talked about hands-on preservation programs and workshops that provide professional training. It seems that there's a lot of expertise around but it's not getting where it needs to go."

"How has Tennessee done it?" Mr. Van West asked. "In many ways, Montana and Tennessee are similar. Both are real long states, with a wide geographic area, and they are still dominated by rural counties. In fact, Tennessee is still considered distressed by the Appalachian Resource Council. In many ways Tennessee doesn't have a lot of resources. A 1984 decision was made to coordinate heritage activities. The decision created 16 "centers of excellence" designed to put university expertise in the service of the state. The centers were designed for community outreach, public service, and support – clearinghouses for a wide range of heritage activities.

"The centers were set up by the legislature, and \$200,000 was appropriated annually for the Center for Historic Preservation. Now our budget is over \$1 million per year, and we're serving as a clearinghouse for all heritage programming in the state." Mr. Van West continued by stating that he has written over 200 National Register of Historic Places nominations in the state. The Center for Historic Preservation also does product development and publications.

"It's sort of like a miniature historical society without a museum. The clearinghouse aspect has only worked in that they give as much as we take. We take money from the state and we give it to the communities. We don't ask local governments to pay for anything. We have now set up a system of reciprocal partnerships. There is a heritage development office in Gatlinburg, TN. They do coordination and workshops with the communities. It's an open process, it's creative, and very demanding. The Center doesn't compete for grant money because they write grant proposals for other organizations."

The next slide title was Developing Partnerships with Property Owners. Mr. Van West emphasized four topic areas including:

- State Leadership: set standards and provide best practices

- Property Owners are solutions
- Recent renovations and the attractions of the historic built environment
- State historic preservation tax credits

Dr. Van West then revisited the topic of leveraging infrastructure and emphasized that agencies must do it in a partnership manner.

Regarding leadership roles, Dr. Van West was impressed by previous comments from agency heads, and saw that agencies are not running away from the problem of preserving historic buildings. They are doing the best they can. He also stated that states need to work with each agency to find ways to use buildings.

Dr. Van West pauses to tell the council he uses the phrase heritage development often instead of historic preservation.

The next slide in the series was titled Creating Tools for Engagement, which focused on ideas for heritage programs. Dr. Van West then reviewed bullet point in the slide:

- Century Farms – involves farms that are determined eligible for NRHP. This is a valuable tool when highway development comes through. Michigan also has a Century Farms project. Dr. Van West commented that this program provides a great advantage when he gives an update on Century Farms to the Ag Legislative committee.
- Century Businesses – same program as the Century Farms program, but it's on small town Main Street. Indiana has the first program.
- Historic Churches – The African-American church project. The program involved a survey of rural African-American churches in the mid-1990s. The survey finds churches that are considered eligible, and then this list of eligible churches is given to the state DOT. The program provides the African-American community with some power when highways threaten buildings.
- North Dakota Prairie Churches program is an example of regional program to preserve church buildings.
- Encyclopedia of History – Tennessee put one together called the Tennessee Encyclopedia of History and Culture. The whole thing is available on the web. The beauty of it is that the Web version is not set in stone, it can be updated continually. The tourism industry loves it because they can use it in promotional materials right away. Anyone can pull it up and use it readily.
- Local, regional, and state tourist-friendly excursions – These programs include driving tours, walking tours, books, articles. They develop a sense of trust between communities.
- Providing technical assistance to property owners.

Dr. Van West went on to explaining the value of establishing a State Legacy Program in Montana. He said this may be a good approach to managing state owned property. The components of the program could include surveying buildings by themes of history, public service, and architecture. The state could look at adaptive reuse first. The program should seek public input and involvement and also use Section 110 standards. The Department of Defense has a legacy program that is very successful. The idea for the program was to create new uses for public buildings.

Dr. Van West commented that we have to keep in mind that public buildings were put into use for the public, and we need to keep them in the use of the public.

The next slide was entitled Engagement Leads to Partnerships: Lessons from Heritage Areas

Dr. Van West gave a short background on Heritage Areas. Heritage Area programs date to the early 1980s. Certain lessons of Heritage Areas have led to challenges. How do you take a little money and use it best? He stated that partnerships help make things work.

The building blocks for success in a heritage program include:

- Using a region's sense of place and identity as a tool for marketing.
- Turn traditions and cultures into new community assets.
- Build a local heritage infrastructure as a foundation for success.
- Get state agencies involved in economic development.

Dr. Van West went on to explain "Good Intentions" partnerships that never go anywhere. He emphasized that partners must leverage resources for the community good.

There are pitfalls to unequal partnerships. It's not going to work when someone says, "Hey let's work on this someday", or "We don't like to work with the government," or "We don't know how to approach businesses."

In the next slide in the presentation Dr. Van West emphasized that partnerships must have:

- A dynamic relationship grounded in basic shared commitments and responsibilities.
- Partners who work toward shared goals based on mutual interest and agreement.
- Shared Goals, Shared Resources, and Shared Responsibility
- Partners who are committed to Equal Long-Term Success

Dr. Van West then encouraged partners in MT to work together better. "No one wants to be the gate keeper. Somebody has to take responsibility for carrying partnerships."

The key traits that make partnerships work include Respect, Trust, Open Communication, Equal Commitment, and all parties bringing value to the table. He stressed that in a partnership everyone doesn't bring the same values, however, there just can't be too many free-loaders.

In conclusion, Dr. Van West went over his list of Needs and Recommendations for Montana. He emphasized the Montana Legacies Program (Sec. 110 approach) where agencies need to survey and assess their properties, and consider each building's level of significance. He made the point that not all buildings are landmarks, and cited an excellent book by Stuart Brand entitled, *How Buildings Learn*.

He gave the example from the book of Building 42 on the MIT campus. It is an essential building because of its function, not because it is a beautiful building. "This building shows that aesthetics aren't the most important consideration in survey, but that the appropriate treatments should match the level of the buildings' significance. Most buildings are not outstanding architectural landmarks, but most need to be kept in use. It's not possible in every case to save and keep using buildings, but this is not about saving every building. Survey and evaluation of significance makes everyone think about which buildings to keep."

Another one of Dr. Van West's recommendations was to provide technical training. "Hold training workshops for agency folks working on properties every day. Go out across the state. Combine with a certificate program so that person has to pay attention. Give a nice certificate, and in the future, these certificate holders can be referred to when a project comes up. This is a way to bring assistance to all parts of the state. It's a hurdle but it has to be done. Just giving awards to agencies is not as proactive as actually training people."

Dr. Van West also explained some specific programs and ideas for action. He recommended looking at the national significance of existing National Register properties. The Save America Treasures grants can fund potential NHL properties, for example Fort Assinaboine. It's not an NHL

right now, but it is nationally significant. He also went on to give other examples of nationally significant themes, such as the New Deal in Montana. It could encompass a Multiple Property Nomination (MPN). Also, the Agricultural Extension program in Montana could be an MPN. The extension program started before the federal laws required it. The Huntley station became a demonstration farm and was very integral to MSU's history as the state was trying to figure out what to do with their programs. He also stressed that no one is asking the Ag program managers to do this, but recommending that the stakeholders figure out how to partner with them.

Dr. Van West also suggested thinking about a plan for the State Capitol Campus. He asked what is eligible on the capitol campus? Do we need a plan to think about how the area will grow? Where will it go in the future?

He also suggested that the University system pursue Getty Campus Plan Grants. These grants provide large chunks of money to do serious architecture planning. The campus grants recognize the importance of keeping historic core buildings as part of the university's image. These buildings are very important to alumni too.

In conclusion, he stressed again the importance of Heritage Area partnerships and said that the heritage area concept is a way of growing Montana's assets into economic tools.

Sen. Lynda Moss thanked Dr. Van West for his presentation and opened the floor to public to comment.

With no further questions from the council, Sen. Moss introduced Candy Score of the Save the Track Foundation. [The Save the Track Foundation is working to save the historic race track and fair buildings at the Lewis and Clark County Fairgrounds].

Ms. Score thanked Gov. Bohlinger for inviting her and noted that the Save the Track Foundation had been accused of being horseracing enthusiasts exclusively, but she countered that the organization does involve 4H members, preservationists, and other agriculture enthusiasts. She explained that the foundation is trying to keep rodeo grounds in place and preserve the West Barn, which the county is trying to demolish to make way for a new multi-use building. Ms. Score then passed out the deed to the fairgrounds property. She asked what the council could do to help save the property, and explained that the track will be paved over by the county soon if no action is taken.

Ms. Score went on to say that the Save the Track Foundation has come up with ideas for other avenues than demolishing the track and barn. She also said the foundation is not asking for money, but would like ideas and technical assistance. She pointed out that the rodeo group doesn't want the track for racing, but they do want it for training and conditioning. She also said that other horse owners want to have horse shows and expositions there. She appealed to the Council for their support and assistance in saving the race track and historic fairgrounds buildings.

Ms. Score then gave the podium to Shirley Herrin, also of the Save the Track Foundation and the Sons of Pioneers. She gave more historical information about the fairgrounds and said that the historic fairgrounds is a treasure that must be saved. She cited the July 8, 1870 Helena Daily Herald article about the opening of the fairgrounds. President Taft spoke at the opening and the First air-mail in Montana came through the L & C Fairgrounds. It was also a Lady Aviator who delivered the first mail.

Ms. Herrin then made the statement that even if 5/8 of the track were left intact, it couldn't be used for racing. She concluded by quoting Al Gaskel, who said, "It has been a long, long time since Helena had a fair in 1928 . . . ."

Lynda Moss thanked Ms. Score and Ms. Herrin and said that the race track issue is an excellent example of an issue affecting Montanans. Ms. Moss said we can work together to solve some of these issues and asked for any questions from the Council or any attendees in the room.

Paul Putz , Helena/Lewis & Clark County Historic Preservation Officer approached the podium. Mr. Putz explained that the Helena/Lewis & Clark County Historic Preservation Commission had comments to share in regards to the ideas and hopes for the council's exploration. He said that an important partner is the private sector even though the Council is considering buildings that are owned by the state.

He said there are private funds involved in renting state buildings to private developers and for long term rental or for subdividing condos or office space. "The state can use public real estate as a way to keep values up and concentrate development on the built environment instead of using up open space." He encouraged the Council to recommend retaining ownership of historic state buildings and to use the rehabilitation tax credit even for long-term lessees. Mr. Putz also noted that some states have laws that approach leasing and tax credits.

He went on to say that the Lewis & Clark County Historic Preservation Commission is also concerned about subdivision rules that don't pay any attention to heritage resources. He recommended examining existing language to consider heritage resources, and to strengthen subdivision laws so that innovative development ideas can be used. "The state should encourage responsible development." One thing Mr. Putz is seeing is that the advancing strength in real estate at the edges of historic districts is driving up the cost of lots, and buyers are tearing down old houses to build big new houses. He would like to see an incentive that encouraged buyers to keep historic housing stock in place, and recommended the Council consider a tax program similar to the Mills Act in California, which gives a tax freeze to owners of historic residential properties.

In closing Mr. Putz noted that on May 14, the Historic Preservation Commission is working with the Superior County Museum to host a conference on the history of the Mullan Road. Helena is the first community to accept this traveling conference and he hopes that many people are interested in attending.

Ms. Moss thanked Mr. Putz for his presentation and addressed the agency heads in attendance at the meeting. She asked if any of the agencies have a person assigned to historic building stewardship, and if so, how do they coordinate on projects? She asked Ken Soderberg of Fish, Wildlife, & Parks to comment first.

Mr. Soderberg replied that there wasn't a specific person in the agency, but under ARM rule he would be the liason.

Joe Triem of the Architecture & Engineering division said that his agency takes care of the lion share of the projects involving historic buildings.

Bob Lashaway of MSU Facilities said that it is difficult to look at historic preservation responsibilities outside of a sense of urgency. He said there are too many things to keep track of and not enough resources. "We usually take a reactionary role kind of like firefighting." He also said that

his facilities group tries to pay attention to preservation issues, but that there's really no person assigned to historic buildings specifically.

Jan Ward reiterated that she is the one who works with other agency personnel to facilitate property transfers.

Jeff Tiberi said that the Montana Heritage Commission is the contact within the Commerce Dept. Their mission is to take care of buildings. There is no person at DOC that directly deals with preservation outside MHC.

Mark Baumler noted that DNRC has a preservation person, and that DOT has a full time historian and archaeologist. Those are the only two divisions that have full time historic preservationists.

Lynda Moss then asked Dr. Van West if other states have historic preservation officers within their different agencies.

Dr. Van West replied that the SHPO is within the DNRC in Georgia. In NC, they created their Dept. of Cultural Resources as a separate division, and combined SHPO with other operations, in effect centralizing operations.

Mark Baumler thanked Van West for his great recommendations. As a follow up he asked what was Tennessee legislators were thinking in creating a separate Center for Historic Preservation when it was created.

Dr. Van West replied that the strategy was to force the University system to engage in serving the state in heritage issues. It gave the University incentive to underwrite the Center. In return the state was paying the professors out of state coffers, not the University budget, to teach heritage courses. The stick was that the University got involved with the state in preservation. The carrot was the faculty funding. The first conversations that Van had with the TN SHPO were about where they needed the most help. The SHPO said they wanted help with NR nominations for rural communities. The Center staff now works closely with SHPO staff. They go to on site visits, and over time have taken a leadership role on controversial projects.

Mark Baumler asked, "Would you say it has been more successful than to have put all these activities within the preservation office?"

Dr. Van West replied, "I think it's been better and more accessible to people. We have a university structure with computers, cars, etc. and we have resources set up and available that would have been very expensive for a SHPO to undertake."

Patricia Graybo approached the podium. She is involved in Livingston with the Bozeman Trail. She remarked that Livingston is growing exponentially. There are 2,700 houses being built near the trail. The trail is intact and can be documented. Ms. Graybo explained that there the Bozeman Trail has no national umbrella organization to advocate for its protection, and none as it comes through Montana. She asked Dr. Van West if Tennessee has an umbrella organization for the protection of Civil War battlefields, and went on to say that she thinks it would be wonderful if Montana could partner nationally to protect the Bozeman Trail as Tennessee has their battlefields.

Wendy Raney replied to Ms. Graybo that there are 16 National trails across the country. There are Oregon Trail chapters across the west. Each trail has a preservation officer and have websites.

2:30 Sen. Lynda Moss calls for a 15 minutes break.

2:45 Lynda Moss calls the meeting back into session.

Mark Baumler began by saying that he agrees with Dr. Van West on the condition of buildings, and that Montana should prioritize which ones are important. He reiterated that the SHPO has a small budget, that does not include money for field surveys. The SHPO has a lot of good files to be synthesized, but they are not in a position to initiate a survey or inventory.

Chere Jiusto replied that the inventory of state-owned buildings is a large matter. The SHPO has inventory forms set up that they use for inventory purposes and large numbers of state-owned buildings already have been inventoried. In some ways it's a project to bring together inventories from all agencies and update them. "I see it as a project to engage agencies to see what they are working with. Then have a third party pull that info together." She noted that the Dept. of Defense has a good software program they use to catalog their buildings, and suggested that a starting point would be to get each agency to cooperate with SHPO.

Dr. Van West explained that the Center for Historic Preservation has students who do internships in survey every year. "If MPA and SHPO could work with the agencies to come up with a list of properties in most need of assessment, Middle Tennessee State could give a graduate assistant to Montana to work on a state-owned building survey." He said that if MPA or SHPO or the State could house this person and provide them with our assistance, then MTSU can send the intern to do the survey. Montana would not have to pay for the intern, MTSU would the person a stipend.

Chere Jiusto exclaimed that Dr. Van West's idea was wonderful and made one clarification. She explained that one of the projects is to create a master list, the other is to survey and research important resources.

Lynda Moss requested that the agencies review the master list to see what buildings are on the list, and the graduate student could do a site assessment. Ms. Moss then asked if the Council would like to entertain a motion to consider accepting a graduate student from Tennessee to survey state buildings.

Mark Baumler then asked Chere what is the current state of the inventory.

Chere Jiusto explained that it is an overview of properties in a larger working inventory.

Lt. Gov. John Bohlinger then asked Dr. Van West, "You talked about the need for an historical fund. Did you talk about what states we might look to. What sort of funding sources have you seen brought forward in other states. It's difficult to move through legislature any tax increase. I've tried but it hasn't worked. What funding sources should we consider."

Dr. Van West explained that Colorado is an example of a state that is based on their passage of an expanded gambling industry outside of Denver. He said he is not conversant on tax structure in Montana, but that the bed tax may help. He also suggested tourism. "The tourist industry is maintained by tourism taxes. There are several towns that have set asides from bed tax revenue that they put into heritage programs. It's not a big pool of money, but it's a case where \$5000 can be crucial just to get people on board to put together a total funding package."

Lt. Gov. John Bohlinger replied that prior to the 2003 session Montana's bed tax was at 4%. "I brought a bill to raise it to 8%. The National average is 12%. I thought it would be safe to stay well below that. My bill referred money to human services programs. But there is certainly a need for

maintaining historical sites. Can the committee work on bringing this to the legislature to add 1% to the bed tax for historic preservation projects? I think an argument could be made."

Dr. Van West said that people understand that linkage in Tennessee and its been very beneficial to those communities who have this pool of money to work with.

Lynda Moss asked other council members if they if the state tax credit is used as extensively as it could be.

Randy Hafer replied that it was not.

Lt. Gov. John Bohlinger said that people aren't aware of the tax credit, and asked Randy Hafer what kind of money is made for every \$100,000 investment in historic properties.

Randy Hafer replied that there is a \$20,000 credit from the federal government, and \$5000 from state on every \$100,000 spent. "It's a substantial incentive." Mr. Hafer continued that he is struggling to understand the partnerships that were talked about over the course of the day. The concepts are totally different than how businesses thinks about public/private partnerships.

For example, Mr. Hafer explains the Billings Technical Assistance Bank project. The project allowed somebody to look at an old building to see if they could do something with them. It was an important catalyst in Billings that got things going. Mr. Hafer noted that everybody has ideas for rehabbing historic buildings, but nobody has enough money to check out a building to see if the idea was feasible. "I would say that out of the total number of grants awarded at least 50% became real rehab projects. These \$5000 grants were a catalyst that allowed the investor to get involved with a slightly risky project, and it was a huge benefit to the community for a small investment. So, a relatively small fund could be a great catalyst."

Lt. Gov. John Bohlinger added that in Billings the city has found a new use for Tax Increment Financing. "It's a vehicle available statewide, we just need the local municipalities to use part of the monies to provide technical expertise to hire planners and architects to use these properties." He recommended that the Council should consider this avenue.

Dr. Van West endorsed the idea of developing a tool box. He said the Center developed a tool box for saving homesteads. It was a program called Holding on to the Homestead. It was one of the better programs that used a program that wasn't getting much use.

Lynda Moss noted that Montana also needs to use the tool box idea along with the Main St. program.

On a different subject, Ms. Moss noted that another one of Dr. Van West's recommendations was providing certificate workshops to agencies. She said that Great Falls is looking at a similar artist program, and Butte too is looking at historic preservation workshops. She reminded those present that these technical assistance responsibilities need to be shared among communities.

Marilyn Ross added that there is a resource that has been overlooked. The Dept. of Labor has a worker retraining program. These workers could be trained for historic preservation skills. She offered to talk with the Dept. of Labor folks to see what they could do.

Chere Jiusto noted that 3 years ago the SHPO worked with the Dept. of Labor on a grant for Montana graduates. She said they didn't get the grant, but this is something they could revisit.



Ms. Ross agreed.

Lynda Moss said that her office is in an old 1910 home. When a water pipe broke there were no plumbers available for a week, so she was thinking that plumbing might be her next career. She called for any other suggestions and asked Dr. Van West if he was aware of more incentives?

Dr. Van West said that awards are nice, but sometimes more can be done. "In Tennessee we have prepared exhibit or brochure info to put up in agency buildings to highlight a good building project. This provides lasting recognition of an agencies efforts. Not as many exhibits are done because of perceived upkeep, but most are so simple they don't need upkeep." His other suggestion was to create a section on the agencies website about the architectural history of the building.

Lt. Gov. John Bohlinger asked what is meant by doing an inventory assessment. He noted that we have 38 pages of inventory already, and asked if more detail is need or if we should prioritize?

Dr. Van West explained that the assessment part is separate. "A person should pay a visit to the building, do some research, and be able to say, Is it eligible? What does the research say about the building? The assessment gives the qualities and reasons why a building is important. It separates attractive buildings from really important buildings."

Wendy Raney asked "Does the assessment consider the condition of the building?"

Dr. Van West replied, "You have to look at the condition issues as well. They can't be separated."

Lynda Moss asked, "Can nationally significant buildings be folded into this assessment project."

Dr. Van West replied, "We have a better understanding of Lewis & Clark resources and military resources now and we should look at them again to see if we can put a check in the 'nationally significant' box on the registration form." He explained that states are now realizing that the Feds aren't doing the work to allow states to check those boxes. Why not look at checking those boxes?

Chere Jiusto added that there is a local group at Ft. Assinaboine looking at the Fort for NHL status.

Wendy Raney said that the agencies talk about limited resources/personnel for hiring historic preservation officers within the agencies. In my work along the Lewis & Clark Trail, the feds might lend assistance for a project. Is there an equivalent at the state agencies?

Jeff Tiberi replied that a few years ago MHC and FWP wanted to hire a joint archaeologist. It didn't work out because MHC needed the person full time. Bernie Weisgerber was the interagency preservation person for a while and he was employed by the Park Service?

Ken Soderberg added that these incentives are important. There is an intern for curatorial staff working with MHC and FWP this summer. It's a win-win situation.

Jeff Tiberi said that Paul Valle also helped MHC. Since his office is located close to Jeff's, the geography helps.

Wendy Raney also said that agency workers have more work than they can handle and that there will never be a CRM person within each agency. If we can keep working to share a CRM person, it will help.

Jeff Tiberi said that the Capitol campus plan has not been updated for 20 years.

Lynda Moss asked who is overseeing the plan?

Jeff Tiberi said he thought the person was Marvin Eakles.

Lynda Moss said that its a good idea to follow through with the Getty Campus Plan Grants. "We need to talk with Jim McDonald and Dave Gibson at the Board of Regents. We can submit a proposal for a statewide campus program that would coordinate all campuses. My thinking is if we combine campuses it will be as large as Michigan state or other programs."

Jan Ward added that she was not sure what the focus of this Council is but that she has individuals calling her about certain buildings and they say don't let it go any further. Ms. Ward explained that Montana has statutes for sales or transfers to public institutions, but no statute for sale or transfer to individuals of non-profits. She emphasized that there's no vehicle for that now except through auction.

Lynda Moss agreed and said this was an excellent idea and something the Council needs to pursue.

Chris King also agreed.

Bob McCarthy said, "We have developed a new project where we are trying to dispose of tax property [in Butte]. We discovered that we were perpetuating slums. Now we offer property through urban renewal projects. We offer the building to the group with the best proposal, not the lowest bid. This is a complete conceptual change and we've discovered that it's a lot better program." He added that the program needs to be promoted.

Lynda Moss agreed and said that the role of the advisory council is to make recommendations to change Montana Codes.

Randy Hafer added that the grant program in Billings that he mentioned earlier allowed a group of investors to get a small grant for seed money. The additional component of the program was to create a professional technical bank to go with that so these groups have a network of contacts. This network would facilitate rehabilitation projects.

Jan Ward then said that she would like to amend what she said earlier. She said that a 501c3 non-profit can't buy properties from the state either. There is a real need to change the statute.

Jeff Tiberi said that MHC statute will lease to private owners for up to 20 years. He asked the Council to consider changing the lease maximum to 40 years.

Bob McCarthy replied that it's much easier to lease than to sell. "Butte has tried to impose conditions on the sale of properties, but found that banks wouldn't loan under these conditions. We had reversionary clauses, but it didn't work. So we had to drop it." He continued saying, "I don't know much about finance, but we need to make it simpler to allow groups to take on properties if we want to save them. We can't give them away to people who will strip them. If we're talking about state properties in isolated locations, we've got to be creative."

Lynda Moss said that it's a valuable tool to use to be able to talk to a bank or to get necessary capital. "When you involve collaborative effort with professionals, you can come up with simple solutions."

Jeff Tiberi said, "The current statute begins and ends with agency involvement. Mark B. mentioned that dispute resolution isn't part of the Antiquities Act. With triage you can save one person, and someone else will die. When you have a long list of buildings, a lot of buildings can't be saved. Dispute resolution process would be great for agencies agreeing on what to do with historic building."

Mark Baumler said that he would be interested in dispute resolution. He said it's less about historical significance of buildings, but questions about saving or mitigating the loss of buildings would benefit from having a third party to help resolve these issues.

Dr. Van West said he can't think of other states as examples that use dispute resolution.

Mark Baumler said that the ACHP is a national governing body.

Lynda Moss said that she would like to summarize the meeting, but first asked if there are items that need to be requested from state agencies to help the council with. She said she does not like piling work on agency personnel.

Ms. Moss went over the ideas of the day. The inventory and survey will be worked on from the existing list. The Council can work with each agencies to help update what is already on paper. The Council is interested in moving forward with a graduate assistant surveyor who will identify significant buildings and make a priority list of historic buildings owned by the state.

Another topic of interest to the Council was positive incentives and opportunities to amplify good stewardship. The Council talked about providing copy to agencies to acknowledge good work.

A third idea was to amend legislation so that non-profits can acquire state properties, and possibly make the law more amendable to encouraging preservation. The Council also talked about using the Toolbox model in Billings where grants allowed development experts to look at feasibility for restoring buildings.

The Capitol Campus plan was also discussed. There is a need to get into contact with those individuals on this committee to move forward plans for applying for a Getty Grant. Ms. Moss offered to follow up on this topic with Dave Gibson at MSU and U of M. She wants to pursue a statewide proposal format for the grant.

Another legislative issue covered addressed the need for dispute resolution using a third party, decision-making body to help resolve problems with building stewardship and the Antiquities Act.

The Council also listened to a presentation from the Save the Track Foundation. Ms. Moss proposed that letters of support might help the foundation. Ms. Moss then put forth a motion to send a letter to the Save the Track Foundation supporting their efforts.

Mark Baumler noted that the SHPO has consulted with them and they have lawyers involved. He said, "We're waiting on more info to determine the integrity of the track." He suggested talking to Stan Wilmoth, Acting SHPO, about further details before writing a letter of support.

Lt. Gov. John Bohlinger forwarded the motion to write a letter of support, "All in favor?"

The Council was in favor of writing a letter of support, with no members opposed.

Lynda Moss reiterated that Stan Wilmoth from the SHPO would provide the Council with more information in which to write the letter of support.

The next motion was put forth by Lynda Moss to pursue working with Middle Tennessee State University on obtaining a graduate assistant intern to carry out the inventory assessment of historic properties for the state.

Lt. Gov. Bohlinger polled the Council, "All in favor of developing a relationship with Dr. Van West to provide a graduate assistant intern?"

Chris King seconded the motion and added that he was unsure about how much work a graduate student could get done in a summer. He stressed that there is no other money available to undertake such a project.

Lt. Gov. Bohlinger asked if the Council would need a source of funding to support per diem costs for the intern.

Dr. Van West replied that the University pays the student a stipend that covers all of their costs. Most historic preservation students don't get paid anything. So, the cost of travel, car, and food would be covered by the University. The students are also insured by the University. In essence, the student is on assignment from Middle Tennessee University so all expenses are covered. The Heritage Development Institute gains from getting another project under its belt.

Lt. Gov. Bohlinger then said that said we should accept this generous offer. "All in favor?"

The Council was in favor of accepting the intern from Middle Tennessee State University, with none opposed.

Senator Moss then requested the Council work with her on getting revenue for stewardship projects. She asked for volunteers from the Council to form a subcommittee.

Lt. Gov. Bohlinger brought up the final agenda item of the Council's budget.

Chere Jiusto answered that there is enough funding for the next meeting in Billings and that she had applied to the National Trust for Historic Preservation for a grant that would pay for the Council's travel to Deer Lodge in June for a fourth meeting. She said that the Council may also be able to use heritage funds from the National Park Service, and that her other thought was that MPA is looking at ways to cobble together funding for the rest of the meetings.

Lt. Gov. Bohlinger asked what was a good date for the next meeting of the Council.

After some deliberation the Council agreed that May 8<sup>th</sup> or May 22<sup>nd</sup> would be a good time.

The meeting adjourned at 4:11pm.